Lynn MA 01904
October 17, 2014

Honorable Janet L. Sanders
c/o Massachusetts Attorney General
One Ashburton Pl.
Boston MA 02108

Dear Judge Sanders,

Please accept these additional comments concerning the amended Consent Judgment for MA Superior Court Civil Action # 14-2033 (Commonwealth v. Partners Health Care et. al.) As you requested at the Hearing on September 29th, I will focus most of these comments on the "Amended Final Consent Judgment." Like the previous submittal, these comments are made on behalf of our neighborhood Ten Taxpayer Group. We believe that all of the comments made in our original letter remain relevant and that the amended Consent Judgment fails to address the legitimate concerns raised in our first letter and its attached documents. In the Request for Relief section of the Complaint the Commonwealth requests among other things that this Court "award such other and further relief as the Court may deem just and proper." Despite Partners' Attorney Sokler's rather pointed directions to the Court (September 29th Hearing) that "your job is not to fix the health care policy system in Massachusetts," the "further relief" sought in the Complaint and also referred to in Paragraph 139 of the Joint Motion for Entry of Final Judgment by Consent should include the authority of you (the Court) to deem it "just and proper" to oppose and deny the mergers that are the subject matter before you. Nothing in either the original or the amended Consent Judgment addresses or restrains the very negative long term or immediate structural impacts of Partners' health care market shares or their totally unbalanced competitive advantage in the provision and delivery of health care services in the Eastern Massachusetts region. It's left to the Court to protect the general public, Massachusetts' businesses and the healthcare ratepayers from these negative impacts.

All of the conduct remedies proposed in the Consent Judgment (including the Hallmark Health price growth restrictions described in the first amendment and the psychiatric/behavioral health service provisions outlined in the second amendment) are time-limited and therefore provide no permanent protections from the negative impacts created and contributed to by the subject mergers. The Consent Judgment apparently creates its own novel metrics and compliance standards (see MA CHIA comments as submitted to the Court on September 15, 2014). Since standard metrics that are commonly used by state agencies and the health care industry monitoring groups exist and are statutorily-defined in Massachusetts law, should the parties involved in the Consent Judgment be allowed to concoct their own mutually agreed upon standards? The enforcement measures contained in the Consent Judgment are neither adequate nor manageable and certainly are not permanent solutions. As the testimony provided by Massachusetts Health Policy Commission Chairman Stuart Altman states "without lasting change to the market structures and incentives that underlie the operation of bargaining leverage, price caps on their own may not be effective in keeping costs down." (July 17, 2014, Public Comment by HPC to Judge Sanders) The Consent Judgment provides neither positive change to the health care market structures nor incentives that would regulate or restrain Partners'

bargaining leverage. Judge Sanders, you should provide the "lasting change" and the restraint that is truly in the public interest by addressing the competitive harm that is alleged in the Commonwealth's Complaint and by denying the subject mergers.

The first amendment to the Consent Agreement applies the same time-limited conduct remedies to the Partners/Hallmark merger that were applied to the Partners/South Shore merger and there is no evidence presented that any of these remedies will effectively limit or restrain either Partners unfair competitive edge or the anti-competitive effects of the proposed acquisitions. In short, this amendment does nothing to address the serious violations of M.G.L. c. 93A s.2 alleged in the Complaint.

The second amendment does absolutely nothing to protect or guarantee the rights of the citizens of Lynn, Saugus, Lynnfield and Peabody to have access to essential acute care inpatient services at Union Hospital in Lynn. As noted in our prior comments, the removal of these acute care beds leaves the City of Lynn (with a population in excess of 90,000) as the only city in the Commonwealth with a population greater than 60,000 without a full-service acute care inpatient hospital. The loss of these beds leaves the North Shore Medical Center's (NSMC) Patient Service Area of 246,418 residents (NSMC Community Assessment, 2012) with an underserved and underbedded acute care inpatient bed rate of 1.6 beds/1000. This figure is significantly less than the national average of 2.6 beds /1000 and the state average of 2.4 beds/1000. The removal of these essential services puts all of the residents of the region at great risk and deprives them of the basic right of access to healthcare and therefore the removal of these services should not be allowed. Further the amendment does nothing to address the concerns over patient access to psychiatric/behavioral health services as expressed by the HPC. "The HPC continues to be concerned that the proposed service reconfigurations may adversely impact these vulnerable populations as they seek to access services at more distant locations." (p. 77, HPC Final Report, September 3, 2014) The second amendment's "broad promise" ensures only that the "overall level" of psychiatric/behavioral health services will be preserved for five years during any reorganization of services. Again this is a time-limited, short term attempt to avoid addressing clear and legitimate negative impacts of allowing the mergers and the health care leverage that the mergers will further create and encourage. This amendment does nothing to ensure that psychiatric/behavioral health beds will remain at Salem Hospital or Lawrence Memorial Hospital and fails to address the site-specific access issues as reported in the HPC's Final Report. In addition, the amendment itself and the amended Consent Judgment as a whole do nothing to stop Partners from creating the underserved and underbedded Patient Service Area described above.

The third and fourth amendments address data implementation and monitoring procedures and have little impact on the major issues of market share, market competition and the access to and the cost of medical care to the patients and ratepayers in northeastern Massachusetts.

The amended Consent Judgment like the original Consent Judgment is unreasonable, inconsistent with both Massachusetts and United States Consumer Protection and Antitrust laws and also promotes anti-competitive factors within the health care market. Your decision needs to protect and guarantee all of the citizens of northeastern Massachusetts access to both acute care services and psychiatric/behavioral health services.

In this matter you are deciding on the future of health care in Massachusetts and possibly the nation. The protection of the public's right to affordable and accessible health care is the most "just and proper" action that you can take. In this matter that means denying the Consent Judgment as unreasonable and inconsistent with both the public interest and the relevant state and federal antitrust laws. Thank you for the opportunity to represent our neighborhood group on this very serious matter.

Sincerely,

Michael J. Toomey